Statement for the House Subcommittee on Europe and Emerging Threats by H.E. John Bruton, Ambassador European Commission Delegation to the United States

- "The EU Constitution and US-EU Relations: The Recent Referenda in France and the Netherlands and the US-EU Summit

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Mr. Chairman, and members of the Subcommittee, I am most pleased to be here today with my colleague, Her Excellency, Arlette Conzemius, the Ambassador from Luxembourg, to discuss with you situation in the European Union regarding the recent outcomes of the French and Dutch referenda on the Treaty Establishing a Constitution for Europe, the outcome of the subsequent EU Summit held last weekend, and the over all effect of this on US-EU relations as seen in the results of the summit held on Monday of this week in Washington with the EU leadership and President Bush and his cabinet.

Let me first and foremost state that the results of the referenda on France and the Netherlands, contrary to some media coverage, have neither ended the European Union nor even brought an end to the ratification of the Constitutional Treaty. Europe remains open for business. The EU has the capacity to meet with success and failure and treat the two just the same.

I cannot stress this strongly enough, the French and Dutch 'No' votes do not mean any reduction whatsoever in the powers of the European Union or the rights Europeans now enjoy as citizens of the Union. The Union still retains all its powers in trade, the environment, anti-trust, consumer protection and the rest. Its two foreign policy chiefs, Javier Solana and Benita Ferrero-Waldner, remain in place. EU citizens still enjoy the rights given to them in already-ratified EU treaties to live, work and do business in other European countries; and to the extent that any EU country denies them those rights, that country may find itself hauled before the European Court of Justice.

The EU Constitution would have consolidated all those powers and rights in one document, but it did not create them anew because they are established by existing ratified treaties. The main changes that the EU Constitution would have brought about were in simplifying voting procedures, consulting national parliaments, unifying foreign policy formation and allowing majority voting on cross-border crime. The human rights

provisions of the EU Constitution are already being enforced by the European Court of Justice but were to be codified in the Constitution.

However, the process of ratification will continue, that was the conclusion of the Council of Ministers which met in Brussels last week. After lengthy debate, the Council decided that the Constitutional Treaty is the right answer to many questions posed by people in Europe. There is no intention to undertake any renegotiation of the document. It is the culmination of the painstakingly achieved agreement of all 25 Member States. It is the outcome of an open Convention process that involved Government and opposition politicians of all member states. It is designed to provide the appropriate response to ensure that an enlarged European Union functions more democratically, more transparently and more effectively.

The main impact of the French and Netherlands 'No' votes will be psychological rather than legal. The confidence with which the European Union opened its doors during the 1990s to new Member States may be somewhat deflated in the short run. In the short term, that may have a negative impact. But it is important to stress that the 25 EU heads of Government unanimously agreed during their Summit in Brussels that the future of the countries of the Western Balkans "lies within the European Union". Legally speaking, nothing has changed. The EU is still free to offer membership to new additional states, although it remains as always the case that each new adhesion must be approved by all 25 existing Member States (or 27 counting Romania and Bulgaria from 2007).

In 1993 in Copenhagen, all then-Member States agreed unanimously on the <u>criteria</u> that new states would have to meet to join. These included "stability of institutions guaranteeing democracy, the rule of law, human rights and protection of minorities, the existence of a functioning market economy as well as the capacity to cope with competitive pressures and market forces within the Union". These criteria are often quoted, and their existence has been very helpful in pushing internal reform in would-be EU members.

But other criteria that were set out in Copenhagen are less often quoted, especially here in the United States. These require that intending EU members are willing to take on the obligations of membership "including political, economic and monetary union". Support for political union is thus an obligation of EU membership – for new as well as for existing members.

The Copenhagen criteria went on to acknowledge that when a country joins the EU, that affects both the country itself and the existing members. They stated that "The Union's capacity to absorb new members, while maintaining the momentum of European integration, is also an important consideration".

The important point I would like to stress from these criteria are the commitments to "political union" and to the continued "momentum of European integration". Of course these commitments apply to existing members as well as to new ones.

This extension allows the necessary time for reflection. This is in keeping with the decision not to renegotiate. There never existed a plan B, instead there now exists a plan D, where the D stands for democracy, dialogue and debate. This will mean time for broad debate, which would be used to generate interest in each member state. Clarification and discussion will make the difference. Also, the European institutions will also have to make their contribution, with the Commission playing a special role in this regard. The validity of continuing with the ratification process cannot be denied but it will be left to each member state to be the master of its own timetable.

Neither the Constitutional nor the European project in general draws sufficiently on people's emotions in the way that the well established and vital rituals of American patriotism draw all Americans together. Europe must be a Union of hearts as well as heads. The project of peaceful, voluntary, European integration is actually every bit as ambitious, every bit as inspiring and every bit as worthy of sacrifice as is the inspiring American dream. European leaders have got to find a language that conveys that to high ideal their citizens.

Thus this pause for reflection can have a very positive outcome. Europe's citizens are better informed now than 50 years ago and they demand more from the political elite. Going to Europe's citizens and asking their opinion will make for a strong Europe, for a more united Europe achievable.

In terms of EU-US relations, most of the things we want to achieve as Europeans, we are most likely to be able to achieve when we are able to work together with the US on them. It is equally the case that most things America wants are more likely to be achieved if American can work with the European Union. The world is better served in terms of prosperity, in terms of security and in terms of stability when America and the European Union work together. President Bush is in favor of a strong Europe. Europe will only get stronger through cohesiveness and internal democracy, which is in America's interest.

The outcome of Monday's EU-US summit is a concrete step forward. We agreed on an ambitious Economic declaration. It is another step towards the goal of a barrier free transatlantic market. We agreed to strengthen our co-operation on regulatory co-operation, stimulating capital markets, knowledge and innovation, trade and security and protection of intellectual property rights. We also agreed to work towards an early and ambitious conclusion of the Doha Development Round.

So the EU and US economies are growing together, not drifting apart. We already operate as one single transatlantic economy. We co-operate in everything from crisis management to trade liberalization.

Last but by no means least, our unprecedented commitment reached at the Summit to promote peace, stability and prosperity in Africa on the eve of the G8 summit, is a genuine leap forward that couldn't have come at a better time. 25,000 people die every day from malnutrition or dirty water. Some may accept that as unfortunate but natural. There was a time when slavery was deemed unfortunate, but natural. That was changed by political action. It is no longer accepted as natural. So why should 25,000 people

dying needlessly be avoided as natural? If we have the will, and harness the capability, to tackle poverty, we will confine all these needless deaths to history. We can make them something that our grandchildren work on with the same incredulity that we worked on slavery.

Over the past 55 years the United States and the European Union have built a strong transatlantic partnership based upon the common values of freedom, democracy, rule of law, human rights, security, and economic development and long will it continue.